

Message Text

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14

ACTION PM-04

INFO OCT-01 NEA-10 ISO-00 INR-07 MC-02 EB-07 L-03 OMB-01

TRSE-00 IGA-01 AID-05 /041 W
----- 033935

R 180726Z OCT 75

FM AMEMBASSY ABU DHABI

TO SECDEF WASHDC

SECSTATE WASHDC 3439

INFO AMEMBASSY AMMAN

MAP/AMMAN JORDAN

C O N F I D E N T I A L ABU DHABI 2073

E.O. 11652: GDS

TAGS : MASS, TC, JO

SUBJECT : PAYMENT SCHEDULE FOR FMS TO JORDAN

AMMAN FOR MAP AND EMBASSY

REF: (A) SECDEF 301806Z AUG 75 (B) ABU DHABI 1716 200720Z
AUG 75 (NOTAL) (C) MAP AMMAN 310750Z JULY 75 (D) MAP AMMAN
151050Z JULY 75 (E) ABU DHABI 1388 020830Z JULY 75 (F) ABU
DHABI 1597 020747Z AUG 75

1. WITH RETURN DEPT FINANCE DIRECTOR JOHN BUTTER FROM LEAVE
ISSUE OF SCHEDULE OF PAYMENTS FOR FMS TO JORDAN HAS ARISEN
AGAIN. (REF A ARRIVED AFTER BUTTER'S DEPARTURE. EMBASSY
DISCUSSED DESIRE TO GET PAYMENTS BACK TO ORIGINAL SCHEDULE
WITH ONE OF BUTTER'S SUBORDINATES, BUT PROBLEM WAS ALLOWED
TO WAIT UNTIL THE BOSS'S RETURN.)

2. FRANKLY, JUST AS PREDICTED IN OUR INITIAL MESSAGE (REF B),
THIS MATTER IS GETTING RATHER STICKY AND BECOMING SOURCE OF
FRICTION BETWEEN THIS EMBASSY AND DEPT FINANCE. BUTTER
HAS WRITTEN US LETTER IN WHICH HE AGAIN STATES HIS BELIEF
THAT LAST TWO PAYMENTS FOR THIS SALE SHOULD BE MADE THREE
AND SIX MONTHS RESPECTIVELY AFTER NEXT PAYMENT WHICH ALL
NOW AGREE IS DUE FIRST WEEK NOVEMBER. BUTTER HAS
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AGAIN NOTED THAT THE ONLY NOTIFICATION HE HAS RECEIVED RE

THESE PAYMENTS WAS JANUARY 18, 1974 LETTER FROM UAE AMBASSADOR IN LONDON (MENTIONED REF D) AND FEBRUARY 2, 1974 LETTER FROM THEN CHARGE GRIFFIN (CITED REF F). NEITHER OF THESE LETTERS GAVE DATES FOR LATER PAYMENTS, BUT THEY BOTH CITED FEBRUARY 1, 1974 AS DUE DATE FOR FIRST PAYMENT AND STATE THAT SUBSEQUENT PAYMENTS DUE IN 18, 21, 24 AND 27 MONTHS. BUTTER HAS ALSO MADE POINT THAT, CONTRARY TO FIGURES REF C, ALL PAYMENTS ARE EQUAL--THAT LAST PAYMENT SHOULD BE \$8,464,585.80 JUST AS WITH OTHER FOUR, NOT \$10,064,013.88. (THIS APPARENT ERROR IN FIGURES CLEARLY EMBARRASSING TO EMBASSY PARTICULARLY IN CONTEXT OF MORE BASIC DISAGREEMENT.)

3. BUTTER IS IMPORTANT CONTACT FOR THIS EMBASSY BOTH AS RELIABLE SOURCE OF INFORMATION ABOUT GOVERNMENT FINANCES, AS WELL AS HIS WILLINGNESS TO SEE STEADY STREAM OF U.S. BANKERS AND BUSINESSMEN WHO INEVITABLY CONSIDER BUTTER KEY CONTACT HERE. HE CAN BE RATHER PRICKLY INDIVIDUAL AND REQUIRES CERTAIN AMOUNT OF SENSITIVE HANDLING. FROM TONE OF HIS LETTER (AS WELL AS TELEPHONE CONVERSATION WE HAVE HAD WITH HIM ON SUBJECT) HE OBVIOUSLY THINKS HE IS ON FIRM GROUND AND WE DO NOT BELIEVE HE WILL BACK OFF UNLESS OVERRULED BY HIS BOSS MUHAMMAD HABROUSH. IF WE WERE TO PUSH IT TO THIS POINT, HOWEVER (AND ASSUMING WE COULD PERSUADE HABROUSH TO OUR VIEW) IT WOULD BE RESENTED BY BUTTER. WE FRANKLY DO NOT CONSIDER ISSUE TO BE OF SUFFICIENT IMPORTANCE TO QUEER OUR RELATIONS WITH ONE OF EMBASSY'S MOST IMPORTANT CONTACTS. OUR RECOMMENDATION IS TO ACCEPT BUTTER'S SCHEDULE OF PAYMENTS AND LET MATTER DROP.

4. OTHER POSSIBILITY WOULD BE FOR JORDANIANS TO SEND LETTER TO UAEG REQUESTING EARLIER SCHEDULE OF PAYMENTS. HOWEVER, THIS COULD BE AWKWARD SITUATION FOR GOJ IN TERMS OF ITS OWN RELATIONS HERE, AND WE AGAIN QUESTION WHETHER ISSUE IS REALLY OF SUFFICIENT IMPORTANCE.

5. PLEASE ADVISE.
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Message Attributes

Automatic Decaptioning: X
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Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: DEBT REPAYMENTS, MILITARY ASSISTANCE PROGRAMS, MILITARY SALES
Control Number: n/a
Copy: SINGLE
Draft Date: 18 OCT 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: KelleyW0
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975ABUDH02073
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750362-0316
From: ABU DHABI
Handling Restrictions: n/a
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ISecure: 1
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Original Classification: CONFIDENTIAL
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Review Exemptions: n/a
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Review Withdrawn Fields: n/a
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